

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**



MARTIN LUTHER KING JR. FEDERAL BLDG. & U.S. COURTHOUSE
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WILLIAM J. MARTINI
JUDGE

LETTER OPINION

May 22, 2008

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**RE: Bloom v. Jersey City Municipal Utilities Authority, et al.
Civ. No. 06-3526 (WJM)**

Dear Counsel:

Defendants Brian O'Reilly, Jersey City, Jerramiah Healy, and Carl Czaplicki have filed a motion for reconsideration of this Court's decision not to stay Plaintiff's litigation against them pending the outcome of arbitration of Plaintiff's claims against the other Defendants. The Court reaffirms its earlier holding that Plaintiff has a right to immediately litigate her claims against the moving Defendants even though she must concurrently arbitrate her claims against the non-moving Defendants. However, the Court also takes notice that Plaintiff has agreed to a stay of all claims in this case. Accordingly, Defendants' motion for reconsideration is **GRANTED**.

Facts and Proceedings

The issue in dispute arises from an arbitration agreement between Plaintiff and her former employer, Defendant Jersey City Municipal Utilities Authority ("JCMUA"). The arbitration agreement required Plaintiff to arbitrate any employment claims she might have against JCMUA or its officials. The agreement did not extend this requirement to employment claims that Plaintiff might have against any other parties.

The issue of arbitrability arose when Plaintiff filed employment claims against JCMUA and its officials and against several other, non-JCMUA parties, such as the City of Jersey City. Defendants JCMUA and its officials moved to compel arbitration under the aforementioned arbitration agreement. The Court held that the arbitration agreement indeed did obligate Plaintiff to arbitrate her claims against JCMUA and its officials, but the Court held that this obligation did not extend to Plaintiff's claims against the non-JCMUA parties. Accordingly, the Court compelled Plaintiff to arbitrate her claims against JCMUA and its officials and stayed Plaintiff's litigation of those claims pending arbitration. The Court declined, however, to stay arbitration of Plaintiff's claims against the non-JCMUA parties.

Defendants Brian O'Reilly, Jersey City, Jerramiah Healy, and Carl Czaplicki now move for reconsideration of the Court's decision not to stay Plaintiff's litigation against

them.

Discussion

While the Court reaffirms that Plaintiff has the right to immediately litigate her claims against the non-JCMUA Defendants, the Court nevertheless grants a stay of such claims. As mentioned in the Court's previous Opinion, the Court cannot necessarily force Plaintiff to delay her right to litigate claims against the non-JCMUA Defendants merely because she has the right to arbitrate claims against the JCMUA Defendants. See CTF Hotel Holdings, Inc. v. Marriott Int'l, Inc., 381 F.3d 131, 138–39 (3d Cir. 2004). Nevertheless, the Court notes that at the hearing on Defendants' original motion to compel arbitration, Plaintiff agreed to such a stay. In response to the Court's question of whether it should stay claims against the non-JCMUA Defendants, Plaintiff's lawyer replied "I think the other Defendants' actions, or the litigation, should be stayed as to them." Accordingly, the Court agrees to stay the litigation of all claims pending the outcome of Plaintiff's arbitration against the JCMUA Defendants.

Conclusion

Defendants' motion for reconsideration is **GRANTED**, and litigation of all claims in this case is stayed pending the outcome of the arbitration between Plaintiff and the JCMUA Defendants. An Order accompanies this Letter Opinion.

s/ William J. Martini
William J. Martini, U.S.D.J.